

# ***ASSET MANAGEMENT***

***What is it and why should you care?***

***presented at***

**Louisiana Department of Transportation's  
Transportation Engineering Conference  
Baton Rouge, Louisiana**



**Sue McNeil  
Professor  
University of Delaware**



**U.S. Department of Transportation  
Federal Highway Administration**



# ***Challenges***

**Congestion**



**Preserving  
Investments**



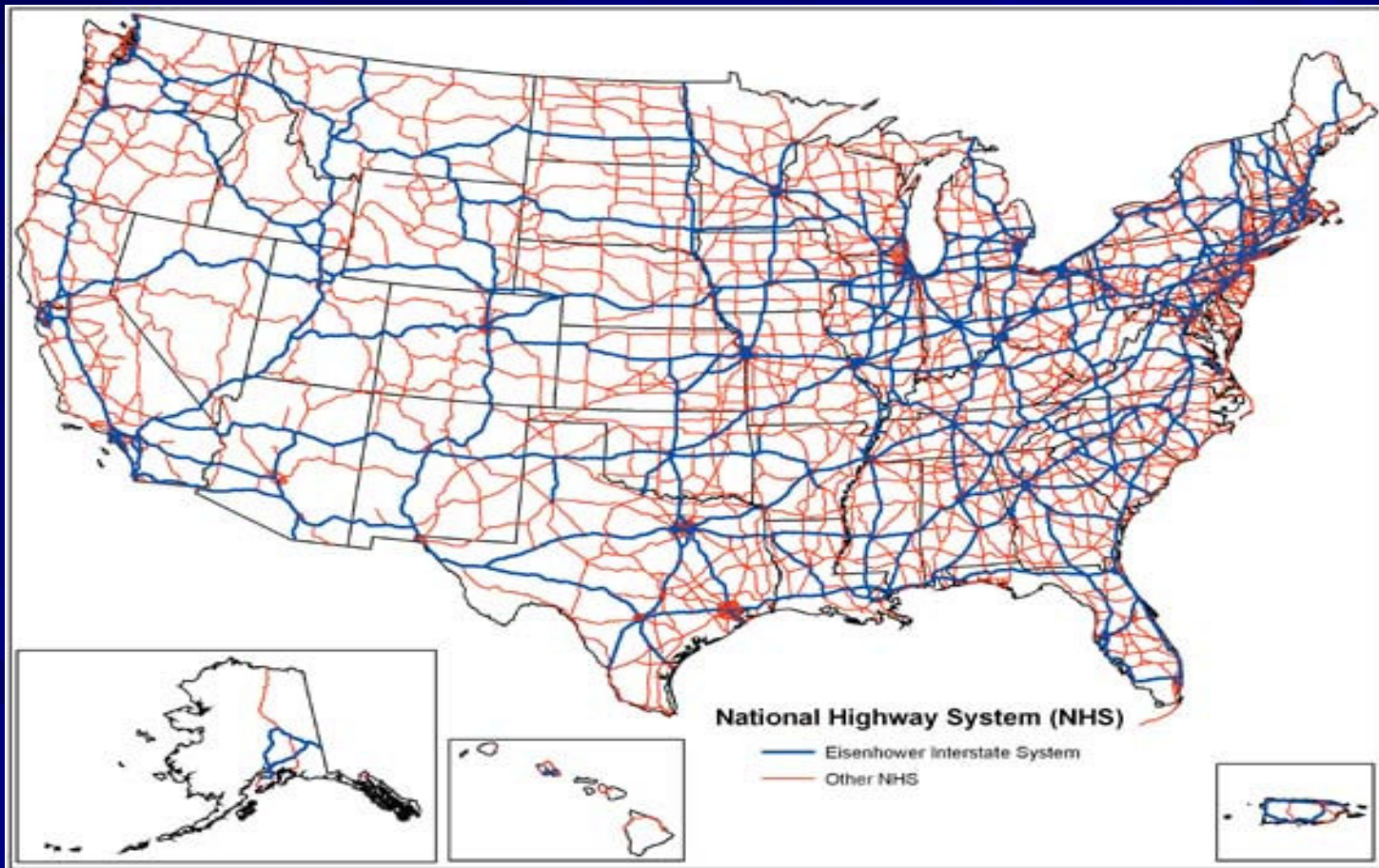
**Aging  
Infrastructure**



**Economic  
Growth**

# ***National Statistics:***

-----  
**3,963,262 miles of Roads**  
**590,685 Bridges**

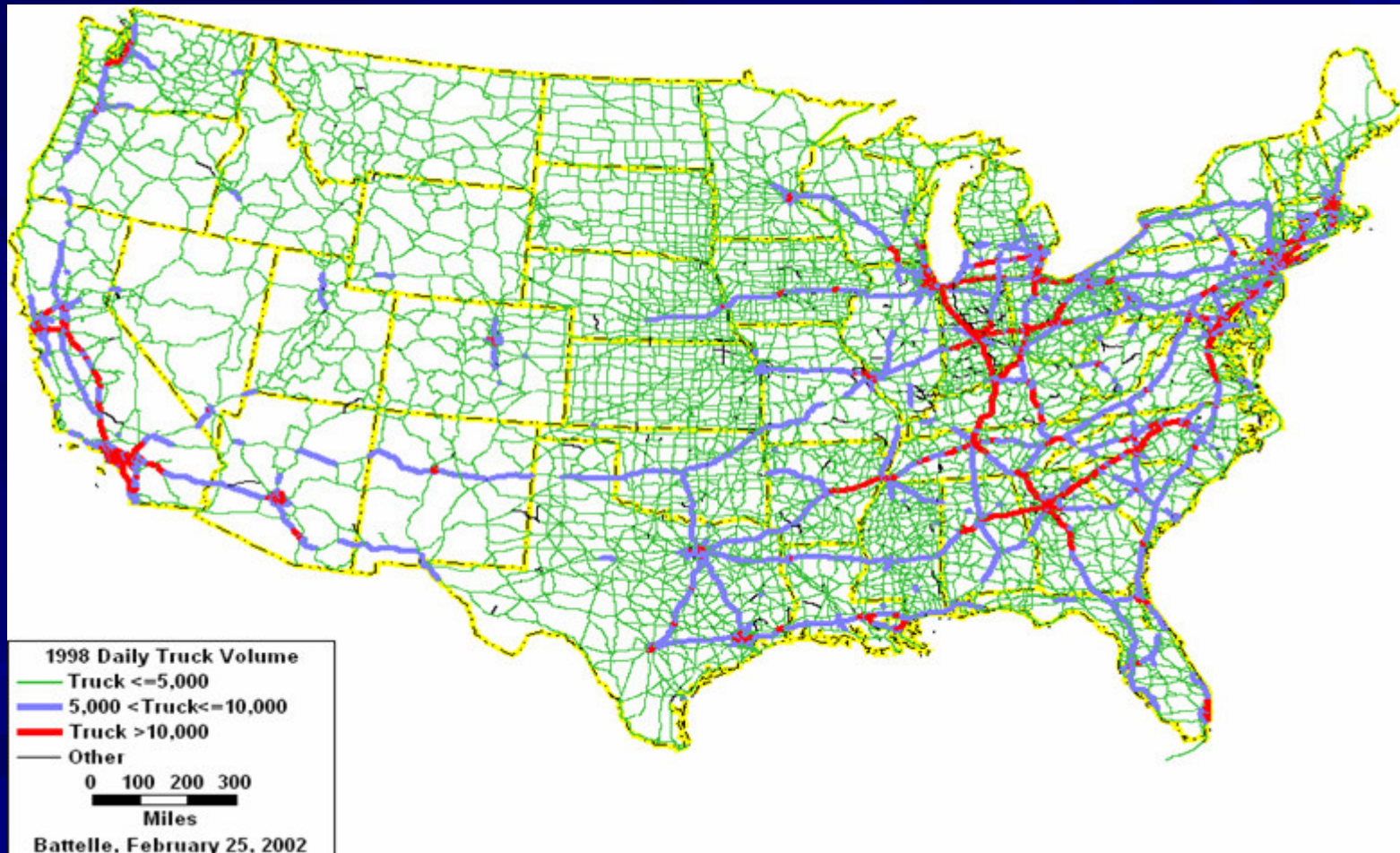




# *Economic Growth*

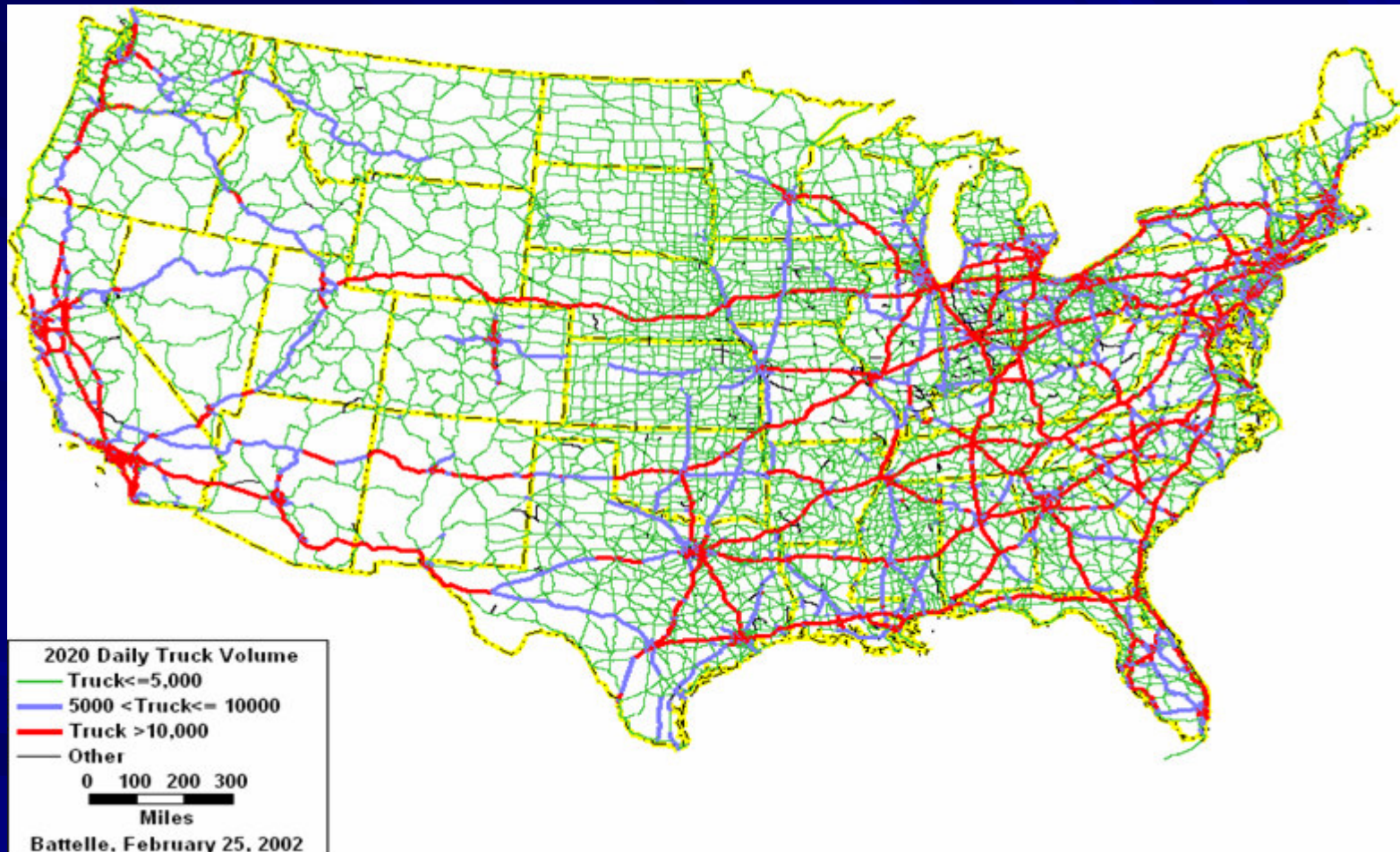


# *Truck Volumes - NHS - 2000*





# *Truck Volumes in 20 Years*





## **The Old Approach**

- Limited Preservation
- Underestimated Traffic, Loads, Costs
- Use Locally Available Materials
- Repaired Worst First
- Design for Lowest Initial Cost
- Limited Design Life
- Limited Economic Analysis
- Insufficient Funds

# ***Asset Management The New Approach***

- Transportation Networks Viewed as Utilities
- Investments in Assets Rather than the Traditional Public Idea of Mere Expenditures of Funds





# ***How Does Transportation Asset Management Work?***

- Decisions are based on accurate data, and sound engineering and economic analysis
- Improved decision-making supported by policies, performance-based goals, performance measures, and appropriate service levels
- Long-term view of assets
- More robust management and monitoring systems

# ***What Makes TAM Strategic?***

- Focus on the strategic goals of the agency, performance measures, and system performance
- All assets considered comprehensively
- Tradeoff analysis and life cycle performance used to support decision making
- Apply economics, business and engineering principles, needs assessment/public involvement, and risk assessment to manage assets and evaluate tradeoffs



# ***Transportation Asset Management***

## **RESOURCES**

**Preservation**

**Operations**

**Capital  
Improvement**

**Safety,  
Etc.**



# ***National Activities***

- AASHTO established AM Task Force 1997 and full subcommittee in 2004
  - Equal Representation from SCOP and SCOH
- AASHTO Adoption of Strategic Plan 1999/2000 revised in 2004
- FHWA established an Office of Asset Management
- TRB Task Force in 2000 and Committee in 2004
- NCHRP Project to Develop 1<sup>st</sup> Generation Asset Management Guide
- Joint Website established & 5 National Workshops since
- NCHRP Project to develop a trade off analysis tool currently AASHTOWare starting Phase 1 development